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FOR THE SECRETARY AND DIRECTOR OF FOREIGN ASSISTANCE FORE ALSO FOR D, P, AND SCA FROM AMBASSADOR MORIARTY

E.O. 12958: N/A

TAGS: EAID KDEM PGOV PREL

SUBJECT: TRANSFORMING BANGLADESH'S DEMOCRACY

REF: DHAKA 526

11. (U) Madam Secretary, when Bangladesh,s 80 million eligible voters go to the polls in December, they will be participating in a democratic exercise that will have a huge impact on U.S. interests. I can not think of another election over the next year (outside of North America) that will prove more transformational. At issue is whether the seventh most populous nation in the world - one with a large Muslim majority and a history of extreme poverty and occasional support for transnational terrorism restores democracy or flounders. I believe we need to do everything we can to ensure that the elections are free, fair and credible and lead to a more stable, deep-rooted democracy.

## The Context

12. (U) Since independence, Bangladesh has seen its democratic development stunted by periods of military rule, debilitating political polarization, ineffective institutions of governance, and rampant corruption. Partisan deadlock led to the cancellation of the 2007 parliamentary election and the establishment of the present Caretaker Government, which continues to rule under a state of emergency. Key components of the government's political reform and anti-corruption campaign will remain far from complete by the time elections are held in December. Other reforms have been completed but may not be sustained depending on the results of the currently unpredictable national dialogue and the level of political parties' commitment to reform. Sustaining the reform momentum and, at the same time, rehabilitating democratic institutions and processes will require support to political parties and an active dialogue on the pre-requisites for a transition to democracy.

## The Challenge in Bangladesh

13. We have been working closely with other international donors and with the Caretaker Government in Bangladesh to create the conditions necessary for credible elections and to help strengthen democracy after the polls. That said, I find the resources the USG has reserved for this task woefully insufficient. Other donors have anted-up money for voter registration, ballot boxes, and the like. We see gaps in key areas where we could be helpful: exit polling, political party development, etc. - in ways that would help keep the process on track and contribute to its credibility. We have capabilities that other donors can not match and will clearly be needed in the coming months.

## The Need

14. (U) In order to help make Bangladesh,s experiment in democracy work, I strongly believe we need to have \$6.0 million of the cuts to our FY-08 Democracy and Governance programs restored immediately. We will provide details septel regarding the specific programs that we envision

funding. In sum, we will seek to:

--Promote the fairness and transparency of Bangladesh,s upcoming parliamentary and local elections;
--Help create an enabling environment conducive to the national election and restoration of democracy;
--Promote political party reform and women in politics;
--Assess institutional needs of newly elected bodies of governance.

## A Last Word

but crucial Pakistan, and a war-torn Afghanistan, Bangladesh tends to get overlooked. If it were located elsewhere, we would likely seize on developments in Bangladesh as having huge implications for the future of the war on terrorism. Bangladesh - given the many strikes against it - can make it to the ranks of stable, prosperous democracies, it will serve as a powerful symbol not just to the region but to all moderate Moslem countries. If it sinks into chaos, it will only be a matter of time before those who look towards the United States with evil intent will find the ungoverned spaces here fertile ground. I am asking for a minor investment that could pay huge dividends in helping to ensure a more prosperous democratic future for Bangladesh and the region. We don't want to look back in the coming years and realize that we had missed an opportunity to avert a disaster. A small amount of funding would allow us to help Bangladesh hold free, fair and credible elections by the end of 2008 and pave the way for a more stable democracy in 2009. Moriarty